

Senate Study Bill 3201 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CHAIRPERSON FEENSTRA)

A BILL FOR

1 An Act relating to an extension granted by the economic
2 development authority for certain agreements with eligible
3 housing businesses.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. 2014 Iowa Acts, chapter 1130, section 43,
2 subsection 1, as amended by 2015 Iowa Acts, chapter 138,
3 section 86, and 2016 Iowa Acts, chapter 1109, section 13, is
4 amended to read as follows:

5 1. On or after ~~the effective date of this division of~~
6 ~~this Act~~ May 30, 2014, a city or county shall not create an
7 enterprise zone under chapter 15E, division XVIII, or enter
8 into a new agreement under chapter 15E, division XVIII, unless
9 otherwise authorized in ~~this Act~~ 2015 Iowa Acts, ch. 138, §85.
10 a. A city or county and the economic development authority,
11 with the approval of the economic development authority board,
12 may amend an agreement for compliance reasons if the. The
13 amendment does shall not increase the amount of incentives or
14 change the type of incentives originally awarded under the
15 agreement.
16 b. A city or county and the economic development authority,
17 with the approval of the economic development authority board,
18 may approve an extension for an agreement with an eligible
19 housing business, pursuant to section 15E.193B, Code 2014,
20 to complete the housing business' building or rehabilitation
21 project if the project is located in a county that meets the
22 distress criteria described in section 15E.194, Code 2014,
23 and there remains a demonstrated need for housing within a
24 community in the county. The agreement extension shall be for
25 a maximum of one year from the date the extension is granted
26 and only one extension shall be permitted. The agreement
27 extension shall not increase the amount of incentives or change
28 the type of incentives originally awarded under the agreement.

29 EXPLANATION

30 The inclusion of this explanation does not constitute agreement with
31 the explanation's substance by the members of the general assembly.

32 This bill relates to an extension granted by the economic
33 development authority for agreements with eligible housing
34 businesses. The authority's program to provide incentives
35 and assistance to eligible housing businesses to build or

1 rehabilitate single-family homes, or multiple dwelling unit
2 buildings, in economic development enterprise zones pursuant to
3 Code section 15E.193B, Code 2014, was terminated in 2014 when
4 Code section 15E.193B was repealed.

5 Under the 2014 law, agreements with eligible housing
6 businesses required the project or rehabilitation to be
7 completed within two years of the date the eligible housing
8 business began the building or rehabilitation. The bill
9 allows an extension to be granted by the economic development
10 authority, as approved by the economic development board,
11 for up to one year from the date the extension is granted
12 for the eligible housing business to complete its building
13 or rehabilitation project. The bill provides that only one
14 extension may be granted and only for a project in a distressed
15 county within a community with a demonstrated need for housing.

16 The bill prohibits the agreement extension from increasing
17 the amount of incentives or the type of incentives originally
18 awarded under the agreement.